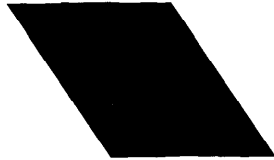


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Christine Todd Whitman  
GovernorJames Weinstein  
Board Chairman

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PL-401 400 Seventh Street SW  
Washington, DC 20590

Docket Number FTA-99-5474 - 24

Docket Clerk:

NJ TRANSIT would like to provide comments on the Federal Transit Administration's (FTA) proposed rule concerning the new rating system for Major Capital Investment Projects. NJ TRANSIT is New Jersey's statewide provider of bus, rail, and light rail transit.

Overall, NJ TRANSIT supports the rating system as described in the notice of proposed rulemaking (NPRM); however, we believe that it must be refined in order to help FTA provide ratings that most accurately assess the overall strengths and weaknesses of potential projects. Listed below are NJ TRANSIT's specific comments on points raised in the NPRM.

1. **The requirement that a Transportation System Management (TSM) alternative be analyzed should be deleted.** Grantees should have the option of including TSM actions in the future no-build alternative. For most mature transit systems, realistic TSM actions are a normal part of system development and consequently would normally be implemented. In place of a required TSM alternative, grantees should be encouraged to develop and test an alternative that quantifies the impacts of the transit-supportive land use policy changes for which FTA requires documentation.

This change would eliminate costly and time-consuming analysis of what is generally regarded as an irrelevant TSM alternative and, in its place, provide an opportunity to demonstrate the impact of implementing transit-supportive land use policies. Such an analysis would demonstrate to both local officials and FTA the significance of specific land use policies and actions improving the effectiveness of the proposed new start.

In the event that FTA chooses to preserve the TSM requirement, NJ TRANSIT recommends that transit agencies in metropolitan areas of 1 million or more population should have the option of defining both the "no build" and the "TSM" option as the same alternative. This combined no build/TSM option recognizes that in the largest metropolitan areas with an extensive fixed guideway system, a separate TSM alternative in some instances is not possible or not significantly different from the no build. This combined alternative does allow for nationwide comparisons to other projects that have legitimate TSM options by adding relevant TSM projects to the no build alternative.

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2. **NJ TRANSIT recommends eliminating the requirement to rate projects on the basis of local financial commitment for entry into preliminary engineering.** In most cases, it is premature to rate a project in terms of its “local financial commitment” prior to the completion of preliminary engineering (30 percent design). Local financing is rarely in place by the Environmental Impact Statement/Draft Environmental Impact Statement stage. Projects at this early stage are frequently without a committed funding source since the project scopes, environmental impacts and preliminary costs have yet to be determined. The PE and EIS documents are themselves used as a basis for decision-making for local officials to determine the level of financial support for a project.
3. **An additional category should be added to represent projects that have merit but for which a stable source of local funding has yet to be identified.** As a planned project moves forward in terms of design and financing, disapproval of the project by FTA at so early a stage could derail the process of securing local financial commitments.
4. **The proposed rule continues section 5309’s preference for projects that attract new riders vs. projects that improve the level of service to existing riders or projects that are needed to expand transit capacity. The definition of “new riders” should include those riders that would be lost on transit systems due to capacity constraints.** For large, established transit systems, many new start transit projects are undertaken to alleviate crowding on existing lines.

NJ TRANSIT and other transit systems with high existing transit mode share cannot compete with potential new start projects in less urbanized areas on the measure of new riders. The existing FTA cost-effectiveness criteria of “cost per new rider” has the adverse effect of penalizing transit projects that are needed to increase transit capacity in areas where transit performs best. This is the equivalent of FHWA recommending that new highway expansion projects be built in locations where there is no congestion.

NJ TRANSIT recommends that FTA redefine “new rider” to include riders that cannot be accommodated by the existing fixed guideway system in the forecast year. This would also require FTA or the project sponsor to define transit system capacity based on a passenger “level of service” concept similar to the level of service concept currently used for highways.

A project’s unconstrained forecast year peak period maximum load point ridership would be compared to line capacity at an “acceptable” level of service. If ridership exceeded capacity, the number of riders that exceed capacity would be considered “new riders.” These riders would be lost to the transit system without the additional capacity provided by the new project or would suffer unacceptable crowding conditions. FTA would have to issue guidance regarding acceptable levels of service and capacity or require projects sponsors to submit their own definition for FTA review.

In addition, Appendix A to Part 6 11, Paragraph 3 (a)( 1) states that

“Travel time savings for those switching from highways to transit will be calculated using a consumer surplus approach, taking one-half of the total travel time savings for those riders assumed in the no-build or TSM alternatives.”

The measure of travel time savings should be clarified. As it is written currently, FTA would give full travel time savings credit to riders who take transit in the baseline alternative and one-half credit for the travel time savings of riders new to the system.

5. **The new rule would require applicants to “forecast net change per year in the regional consumption of energy, ascribable to the proposed new investment, in British Thermal Units.” However, FTA has not been requiring energy calculations as part of its EA/EIS documents.** This requirement should not be required by section 5309. Should FTA decide to require energy analysis, it should be confined to non-renewable energy resources and include energy required to construct the project.
6. **The section-by-section analysis discusses that FTA will examine projects that are being constructed in consecutive segments as independent projects instead of as an element of a larger planned investment. (Project Justification analysis, page 17066 of the NPRM). NJ TRANSIT would recommend that FTA grade projects both as an independent investment and as part of a larger system.** In some instances a project’s value is most apparent when the accumulated benefits of a larger investment are examined.
7. **NJ TRANSIT recommends that the calculation for the Cost Effectiveness Index (CEI) include travel time savings (TTS) as one of the inputs.** TTS should not only be used as a measure of mobility but as an element of cost as well.
8. **Operating and capital cost per incremental passenger determinations are affected by the cost of living of a particular region. NJ TRANSIT recommends that costs be adjusted to a common base for comparing projects across the nation, using Federal guidelines for location-specific wages and accepted regional construction cost indices, to eliminate geographical bias due to geographical variations in local wages and cost of living.**

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in black ink, appearing to read "Stanley J. Rosenblum", with a long horizontal flourish extending to the right.

Stanley J. Rosenblum  
Acting Executive Director